

WEALTH MARKETS AND COMMERCE



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Certified accountants' statement of

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LISTED SECURITIES

bought and sold for cash or carried on conservative margin.

January Mining Dividends Mining dividends paid in January, 1917, by 41 United States mining compenies amounted to \$11,856,270, as compared with \$6,758,276 paid by 30 mines Engineering and Mining Journal." panies paid \$8,879,019 in 1917, as \$4,221,879 in 1916, while Canathis year, against \$1,732,287 in 1916.

Finance - Economics

WALL STREET OFFICE: Mills Building, 15 Broad St. Hanover 6514

the month to 1,541,832-the high rec-

ord reached on December 18. The ele-

the same day. Figures for passengers

ton. The association recommends that

Republic Iron and Steel.-The re-

Money and Credit

Federal Reserve Banks

The Reserve Board's statement of

the condition of the Reserve banks Feb- 1

RESOURCES

ruary 2 shows:

Total gold reserve ...

fund against Federal Re-

Due from other Federal Re-

LIABILITIES

New York Federal Reserve

RESOURCES

Discounts 27,072,252

notes (net).. 18,814,070

bank

sources

Member

Government de-

Due to other

posits

Fed. Reserve

banks (net)

New York, February 3.

1,350,349

5,085,421

LIABILITIES

2,027,036

serve banks, net ...

Government deposits.

Total liabilities ...

serve bank notes ..

Washington, February 3.

212,961,000

521,760,000

12,185,000

400,000

93,112,000

30,550,000

12,564,000

13,153,000

881,991,000

\$55,725,000

689.878.000

533,945,000

1.835.000

Saturday, February 3, 1917

fects might be, there is little likeli- water mark of 1,252,063 passengers on hood that this country's participation in the great war would turn the week before Chrstmas were more than carried over the seven days in the tide of prosperity. If there were any 2,295,000 greater than in the correchange at all it should be in the disponding week of 1915. In ten years rection of further expansion in the the subway has carried 2,958,200,000 volume of business, both domestic persons, about twice the population of and foreign. No country in the the world. Only one passenger was at New York and other cities; world has resources even approach- killed in a train accident in that peing in extent those of the United riod. States, and it is certain that war Opposed to Excess Profits Tax .would bring a great additional de- Strong protest has been formulated by mand upon those resources without the Merchants' Association through its immediately lessening the pressure of executive committee against the proexisting requirements. It is true that posed "excess profits tax" contained in a large part of the country's indus- the general revenue bill passed by the New York, 767s cents: Mexican dollars, trial plant is operating at, or close House of Representatives at Washingto, theoretical capacity, but under the to, theoretical capacity, but under the stimulus of war-born need and pa- be obtained by an extension of the intriotism there is little doubt that the come tax through lowering the present there is, at worst, likely to be noth- on capital employed in farming and 67%. ing more than a diversion of output, upon other forms of capital now exwhich would not greatly embarrass empt. them, and even that is improbable. What is more probable is that industry will be speeded up as never the greatest of any in shares of before and that earnings will in con- the steel group. On transactions of sequence at least keep up to the pres- nearly 13,000 shares it advanced 9 ent rate. Wherein intrinsic values points to 75 and closed at 74 %, a net would be adversely affected by war in gain for the two-hour session of 814. The figures contained in the annual the near future it is difficult to see.

The realization that war would report, showing nearly 48 per cent not necessarily bring economic disaster overnight probably had as of 1916 Republic exceeded the record much to do with the upturn in the of the United States Steel Corporation stock market as anything else, when it earned at the rate of \$60.50 a Fluctuations such as have unsettled the market during the last week have little relation to intrinsic values, and that some stocks were selling below the fourth quarter. their real worth has been obvious. The recent break carried the average stock prices well below the level at which they stood a year ago, though meanwhile earnings of every company whose shares are represented in the list have been the greatest ever recorded and the whole country has made industrial and financial prog-

ress beyond precedent. Wall Street is lucky. It had pre-Wall Street is lucky. It had pre-pared for peace and peace perversely | Gold coin and certificates in vault \$306,964,000 failed to materialize. Yet in making Gold settlement fund. preparations for the event which it Gold redemption fund with United States Treasurer. expected the market incidentally had been put in shape to receive, with a Legal tender notes, silver, minimum of disturbance, the unexpected shock which it did encounter. Total reserve. That is why there was nothing like Five per cent redem a panic when the market suddenly had to face the prospect of war. Bills discounted-members. Nothing happened but a further Acceptances bought trimming of the financial ship by a One-year Treasury notes. downward revision of prices, and Municipal warrants. the storm broke yesterday Total earn prices were well maintained. Sur. Federal Reserve notes, net. prise, always the most dangerous element, was not a factor at all. The Uncollected items developments in Washington were All other resources ... only what had been anticipated and Total resources ... were accepted by the Street as making war inevitable, but it neverthe- Capital paid in .. less refused to be frightened.

Receipt of the news was followed Collection items by a sharp professional drive, but Federal Reserve notes-net the situation never became serious, All other liabilities...... though prices melted for a time under the pressure of short selling. Fractional Lot Service Steel common broke through par and note liabilities, 76.0 per cent others followed its lead. Before the Orders executed in any amount of break could assume a really threatening aspect, however, ample sup- bilities, after setting aside 40 per cen port appeared. There was first a gold reserve against aggregate liabiliof seasoned, safe stocks, dealt in on pause in the downward slide of prices as they collided with an acprices as they collided with an ac-cumulation of buying orders, many items compare with a year ago as folour orders, reports and quotations are of which had been in the market transmitted by signal, affording in- since Thursday's slump, and then the course of the market was quickly reversed. There is a momentum to Due to member banks. Inc. 270,941,000 audit of our books published quar- such movements, and this one was Net liability for notes. Inc. quickly accelerated in several ways. As it became apparent that for the time at least no further decline was in prospect the shorts rushed to Bank of New York at the close cover. Simultaneously a wave of huying orders poured into the market from the big institutions and from individual investors here and in the Gold reserve. \$195,882,910 \$196,283,505 West. So rapidly did these orders Legal tender come in that at times the ticker fell far behind transactions. When the turmoil had subsided nearly every active stock was substantially higher Investments than at the close on Friday. The net Fed? gains ranged from a fraction to 10 points, and Wall Street went home All other refeeling more optimistic than it has been at any time since the close on Wednesday.

Relevant Information

Interborough Rapid Transit.-Total in January, 1916, according to "The passengers carried during December on the subway and elevated lines of the Metallurgical, holding and steel com- company passed all previous records. number was 69,703,030, an increase of 8,177,069 over December, 1915, and ies, Mexican and Central American 8,267,861 over November, 1916. Planned spanies paid \$1,638,245 in January for a daily capacity of 400,000 persons. The average subway riding rose through nal condition of the New York Clear-ing House banks on Saturday was as HEAVY BUYING

Loans and discounts \$3,511,537,000 Reserve in own vaults 532,988,000 Reserve in Fed. Res. Bank Reserve elsewhere 57.361.000 Net demand deposits ... Net time deposits 168,390,000 reulation 28,705,000 Aggregate reserve...... Excess reserve 165,469,540 No matter what the eventual ef- vated lines also touched their high

the week before were:

Loans and discounts.... Inc. \$37,558,000 Net demand deposits....Inc. 6,209,000 Net time deposits.....Inc. 844,000 Circulation ... Dec. 40,000
Aggregate reserve ... Dec. 25,224,000 Circulation Excess reserve Dec. 25,914,070

Bank Clearings.-The days clearings

Exchanges. Balances. Philadelphia ..

Sub-Treasury.- New York banks lost to Sub-Treasury \$736,000.

The Dollar in Foreign Exchange stantial.

In the foreign exchange market lires

Speculative activity in rubles brought about an increase in the rates during the week, but advances due to such causes have been common in this covery in the stock yesterday was exchange and signify little or nothing. on the transactions for the week decline of the rates was slight; Vienna kronen also eased off. The Scandinavian exchanges were all lower. Guilders and pesetas were also down. The market was, on the whole, weak and indeal of attention. In the last quarter clined to still lower rates.

There was no change in the Eastern exchanges, although all rates were firm as a result of the strength of the silver market. Of the South American exchanges, Argentina was especially strong, while the others were practically unchanged.

If you calculate the cost of the dollar in terms of foreign money-that is, as if you were buying dollars with pounds, marks or francs-its value at the close of last week, as compared

	th a year ago, wou lows:	ia ne	about a
			e dollar.
			Year ago
	English money		
i	French money	1.12	1.13
ì	Dutch money	.97	.92
	German money		1.28
	Swiss money		.99
	Swedish money		.98
	Russian money		1.73
	Italian money		1.25
	Austrian money		1.73

with a week ago, were as follows:

		Week
	esterday.	
Sterling, demand	4.7534	4.75
Sterling, sixty days	4.72	4.721/2
Sterling, cables	4.76	4.76
Sterling, ninety days	4.70	4.701/2
Francs, demand	5.843	5.843
Francs, cables	5.831/2	5.833
Guilders, checks	4034	40 1
Guilders, cables		407/8
Reichsmarks, checks		691/2
Reichsmarks, cables		6958
Lire, checks		7.08
Lire, cables		7.07
Swiss, checks		5.01/2
Swiss, cables		5.001/2
Austrian, kronen, ch'ks	10.95	11.12
Stockholm, kr., ch'ks	29.50	29.55
Copenhagen, kr., ch'ks.	27.50	27.55
Pesetas, checks		21.20
Pesos (Argentina)		1.00
Rubles, checks		28.50

352,000 \$881,991,000 Gold reserve against net deposit and Cash reserve against net deposit and

Cash reserve against net deposit note liabilities, 77.8 per cent.	Current	Intrinsie
Cash reserve against net deposit bilities, after setting aside 40 per gold reserve against aggregate lia	cent bill- Franca value. \$4.7534	\$4.75 1 0.19.3
ties of Federal Reserve notes in ci- lation, 78.4 per cent. In the above statement the princ items compare with a year ago as	marks 0.16.9 Rubles 0.28.60	0.40.2 0.23.8 0.51.2
lows:	Carrier (Daymerk) 0.27 50	0.19.3
Total gold reserves Inc.\$179,756 Bills discounted and accept-	Crowns (Sweden) 0.29.50	0.26 .
ances boughtInc. 56,496		

Bills discounted and accept-ances beught Inc. 56,496,000 1,505,000 The condition of the Federal Reserve compared with the in England the demand for dollars issue. with which to settle accounts in this country is greater than the demand in this country for pounds with which to settle accounts in England.

> Britain Consumes Less Sugar An appreciable reduction in the con-

Total reserve.\$197,233,259 \$204,352,428 29,105,858 5,667,324 18,926,915 ernment in connection with the measures for restriction of imports. While a reduction of 25 oc. cent was reco ; T'l resources \$248,880,027 \$258,674,624 mended, the consumption was only 15 per cent less than in 1915 and 19 per cent less than 1913, the pre-war year \$11,837,700 \$11,851,950 Returns of the London Board of Trade dep'its (net). 234,962,564 238,426,879 show that imports of raw sugar into the United Kingdom last year totalled 1,126,478 tons, compared with 976,875 32,726 5,198.895 in 1913. Refined sugar imports were 410.764 tons, against 505,481 in 1915. Fed? Reserve
notes outstanding ... 106,832,215 107,490,415
Secured as follows: Gold
depos'd with
Fed. Reserve
agent 106,832,215 107,490,415

Clearing House Statement.—The act-T'l liabilities \$248,880,027 \$258,674,624 893,890 in 1914 and 922,544 in 1913.

SENDS STOCKS UP WITH RUSH

Changes from the actual condition of Big Financial Interests Support Market After Break with Germany

Stocks were bought heavily on a rap-

cient to offset the losses of the two tional rise in the retail price of coal, present enormous output could be exemptions, through stamp taxes, to covering of short sales, but there previous sessions, but that the resurpassed. Therefore, so far as inthrough taxes on sugar, coffee, tea and
through taxes of the situato covering of short sales, but there
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		rester-	Amree
		day's	days'
Yeste	rday's	net	net
High.	Low.		chg.
Am B Sugar 9234	88 8		+4/4
Am Can 43	36	+4	-45 ₈
Am Loco 68	625%	+478	-75g
Am Smelt., 97	931/2	+21/a	-914
Anaconda 7314	71	+1/8	-938
Atchison 10273	100 B	+238	-13_4
Bald Loc 47	43	-2	-71/4
B & Ohio 76	741/2	+11/8	-47_{B}
Beth Steel 420	363	+30	-1
Cent Leath. 79	70	414	-71/2
Chino Cop., 521/2	48 g	+31/4	-27_{8}
Col Fuel 43	39	+4	-31/2
Crucible St. 58	50%	+534	-438
Cuba C Sug 39	357a	+ 34	-71 a
Erie 26/4	25 8	+1	-4/4
Gen Motors.110	99	+7	-2
Inter M M 221/2	20	+ 1/4	$-6\frac{1}{2}$
do pr 68 4	6234		-157g
Insp Cop 55	50	-41/2	-2
Kenn Cop., 421/2	40	+178	-33_{8}
Lack Steel., 7434	70 8	+134	-638
Leh Valley., 7334	7214	+ 34	-31/4
Mex Petrol., 871/2	82	-2	-117a
N Y Central 94 g	91	+21/2	-514
Rway Stl Sp 46	43	+3	-51/4
Rep Ir & St 75	66 8	+81/2	134
Reading 921/2	881/2	+194	-61/2
Studebaker. 10078	9414	+47/8	-31/8
Union Pac. 1341/2	1311/4	+11/4	-71/2
Un Fruit 1381/2	135	-278	-14
U S In Alc. 1231/2	11119	974	+514
U S Rubber 5334	5134	- 34	-51/4
Utah Cop107	1021/2	- 21/2	-434
U S Steel 1045g	9938	- 358	-8
Westingh'se. 491/2	46	-15a	-334

Closing rates yesterday, compared the last half hour, was under the leadpoints; Bethlehem steel rose 30 points to 400.

Total sales for the two-hour session financial interests, who saw in the pres-Buying for long account induced the covering of short contracts. Concerning yesterday's liquidation Bache & Co.

of the standard dividend paving rails rumors were again current that they Below is given the current exchange were being sold for the account of Ger. naturally playing a very important value of foreign money in dollars and man houses, who feared that a rupture part in the markets for copper, lead cents, together with the intrinsic gold between this country and Germany and zinc. An immense stock of those parity, as calculated by the United would have financial effects of an unpleasant character for German shareholders.

Bond Market Receptive

An issue of \$500,000,000 of United States government bonds, as proposed in a resolution introduced in Congress 2 yesterday, will, in the opinion of bank-3 ers and investment firms in the financial district, be quickly absorbed.

The ease with which the recent \$250. 600,000 British loan was sold affords the American indication of the present state of can dollar. You buy an English pount the money market. Banks are in an terling for \$4,7512; the intrinsic par- extremely liquid condition and have a ity is \$4.86% per pound. Thus, you plethora of funds awaiting investment. say either that pounds are at a dis- Investors throughout the country also count or that dollars are at a pre. have plenty of money with which they mium, which is owing to the fact that would willingly buy a new government

One of the factors that has made for low money rates has been the recent liquidation in the stock market. has released a large amount of funds formerly tied up in loans on stock exchange collateral.

Aside from the favorable financial condition of the country at the time sumption of sugar was attained in the United Kingdom last year but not the extent urged by the British government of the American people would be sufficient, bankers say, to assure the success, bankers say, to assure the success. cess of government finencing for war purposes.

Current Comment

The thought if a thing becomes interstate it thereby becomes national and should pass under Federal supervision is still laboriously making its way in 1915, 1,099,150 in 1914 and 1,046,714 Thus obstinately does the mind of man cleave unto an idea many times abandoned if only it appear on each new occasion in slightly variant disguise. It has been obvious during the last year that rapid and pervasive progress was being made in reconciling citizens of every section to the idea that if commerce is interstate the conveyance should be regulated Federally wherever the conveyance might be located. We shall shortly know how strong that

conviction has become by the headway it proves to have made in Congress.— AMERICA'S BANK Frank W. No.on, Secretary of the Railway Business Association, in The Na-

The taxation of Europe will be reflected in the costs of production, which in turn will be an important factor in the competition we will have to face after the war .- Edward A. Filene.

be produced and shipped. In no previous year has there been as much anthracite coal actually mark-ted as in 1916. Although the production from the mines and washerier was 800,000 idly advancing market after Wall tons below that of the year before, Street recovered from the first shock of owing chiefly to the labor shortage, ing the operations of the system in the news from Washington that diplo- which at some mines reached 15 per its annual report to Congress, issued matic relations with Germany had been cent, this loss was much more than to-day, states that the tremendous ad-New York \$797,903,812 \$37,044,715 severed. Shares which hesitated in the made good by the immense shipments vances in deposits, loans and discounts first hour's trading and sold off a point from the reserve yards. This shows, have kept pace with the absorption of 65,127,717 6,376,819 or so immediately following publication therefore, that the mining companies securities, having reached the highest of the momentous news from Washing- are in no sense to blame for the coal levels ever recorded. The aggregate cial affairs, but as a most important ton turned busyant in the last hour shortage, since they supplied the count of the American people influence in the commerce of the and closed at or near their highest quo- try with greater quantities than were -represented by the amount on de- world." Silver .- Bars in London, 37% pence; tations. The net gains in the indus- ever before sold in a twelve-month pe- posits in all the banks in the country trial list ranged from 2 to 10 points, riod. The published stories of an im- is placed at \$26,376,000,000 (the esti. 130 banks entered the system, eighty-Among the railroads advances were pending coal famine have had, however, mate being as of June, 1916), an inless spectacular, but nevertheless sub- the wholesome effect of making the crease of more than \$5,000,000,000,000 or national banks which under the law consumer fill his coal bin. Therein lies approximately 20 per cent, in two automatically became members. Of The gains, however, were not suffi- the one sure way to prevent a sensa- years. Loans and discounts of Amer- the remainder, thirty-five were state dustrial companies are concerned, similar commodities and through taxes of state banks, it is pointed out, have been trying to make the public in American banks is estimated at \$1,- which joined the system during the year Yester-Three fill its coal bin during the summer 486,000,000, or approximately \$150,- was less than in 1915, contrary to exmonths when prices were the lowest of 000,000 less than in June, 1914. the year. But the experience of the past year shows that it takes a firstclass "famine scare" to make the consumer purchase coal before he has to 044,000,000, the report continues, do so. Much of the difficulty has arisen American banks held, on June 30 last, from the rush of the large and small \$8,057,000,000 of long time securities. consumers to buy coal at the same principally bonds, in addition to about time. This led to a total demand which \$760,000,000 in United States governovertaxed not only the producing ca- ment bonds, most of which were used pacity of the mining companies, but the to secure circulation. During two years, country's transportation facilities as it is stated, total capital and surplus well. It is to be hoped, however, that of all American banks increased 5.1 the Federal Reserve Bank with the the public has learned a lesson and per cent, while investment in long term Bank of England will be authorized that in future it will fill its bin at a securities including United States from time to time as occasion requires, time when prices are low and the rail- bonds, domestic securities and obligathus enabling the Federal Reserve roads are eager to get coal to trans- tions of neutral and belligerent nations banks, while assisting in the developport .- Miners' Bank of Wilkes-Barre.

the business brains and energy of the country, so that the enormous extrava- Federal Reserve notes, the board points an effective means of absorbing any gance with which the government is out that the volume of outstanding shock due to sudden withdrawals of conducted will be paid for by a few notes on December 30 last was \$300, gold for export. There seems to be and the great body of voters upon 110,000, but of this total only \$17,588,whom Congressmen depend for reelec- 000 was secured by eligible paper banks should not be placed upon the tion will not be touched. They have pledged with the agents, the remainder same footing in this respect as the also opened the way so that, no matter being secured by gold, dollar for dollar, great reserve banks of Europe and how much they may increase their ex- National bank circulation showed a rependitures, the same single class of duction during the year of \$44,511,968. people will pay for them. In the bill More than 15,000 banks, the report which is proposed there is an intima- states, have availed themselves of the tion that in this country business prof- privileges of the new clearing system its of 8 per cent are sufficient after put into operation last July, and total \$5,000 has been earned. This intimation daily clearances of Reserve banks ag foreign bonds expressed the opinion The buying movement, which had excorporations and partnerships, are allowed to earn S ner cent nor sale sales and net earnings totalled preferable whenever the absorbing nower of the investment market shows tended throughout the active list by tion of the first \$5,000 in the profits of the twelve Reserve banks amounted to ership of United States Steel. The com-mon stock rose from an extreme low the capital invested without taxation. pacity on paid-up capital of about 5 of 99% to 104%. Advances in the All amounts over that are to be taxed. per cent. war issues averaged between 2 and 6 The rate at first is to be 8 per cent per annum. But this percentage is liable to be increased next year, and the year so-called excess profits. This seems to as well as a substantial pa

> The congestion on the railways is metals is locked up in railway cars, whence it wil some day be released. In the meanwhile there is a renewal of pronounced scarcity in many con-suming districts where they are needed. Engineering and Mining Journal.

> Hawaiian Sugar Crop Estimate mation on January 1, 1917, prepared impacts for the crop of 1917 from all 1 070, total, 35.32 tons. This -1 exceed the quantity of sugar sing, a from the crop of 116 by nearly 50,000 tons.—Consular Report.

ACCOUNT TOPS **26 BILLIONS**

The mining companies are supplying Report of Reserve Board the country with coal as fast as it can Shows Vast Resources-Features of the Year

> Washington, February 3. The Federal Reserve Board, review-

ican banks are estimated at \$17,849,- banks which entered the system

Big Security Holdings

-rose to 150 per cent of capital and ment of our international trade, to Congress is about to make a levy on surplus, an increase of 27.2 per cent. provide for themselves, by holding a In connection with the issuance of substantial amount of foreign paper,

conveyed in the provisions under gregate more than \$125,000,000. Dur-

On Paying Basis "The Federal Reserve banks," the re-

after that, until it would not be im- port states, "have not been operated sition. were in excess of a million shares. The probable to have business men paying with profit as a primary object, but opinion of commission houses was that in one half of all they make in these they have all carned their expenses in one-half of all they make in these they have all carned their expenses to serious consequences.

longer looked upon as an experiment. In a liquid condition. It is established upon a firm and en- Banks may, of course, perform an during foundation and it has demon- important function as temporary holdetrated repeatedly that it is not being ers of securities during the process of conducted for the benefit of any sec- their distribution to ultimate investors, tion, group or interest, but that the but in times when there are enormous policies governing its operation are international transactions, such as we and will continue to be broad enough have witnessed during the past two to serve, without discrimination or years, the velocity and volume of our favor, the banks and hose who deal foreign trade as far as it is based upon with banks throughout the entire country. While regulatory and conserva- the power of absorption of the Ameri-The amounts are: Hawaii try. While regulatory and conserva-28a,300 cos. Maui Lland, 155 tive, it is none the less a constructive can investor, and Island, 133,600; Kauai Island, force, and as conditions throughout the "Whenever world become more normal the Federal the investment market shows signs of reserve system will be recognized not exhaustion it would, in the opinion of only as a dominant factor in our finan-

\$7,233,929,000

\$1,212,960,000

11.9%

\$51,323,000

9.966,000

77.1%

93.80

1.012.000.000

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John Muir & Co. Odd Lots

Main Office, 61 Broadway, New York mbers New York Stock Exchange

seven of which were newly organized pectation, but there are indications that other large institutions (than member With a capital and surplus of \$4,- banks named in the report) "are awakening to a sense of public duty, and are besides gradually reaching the conclusion that their own best interests require their affiliation with the Federal Reserve system."

Foreign Branches The report states that further con-

nections similar to the one made by no reason why the Federal Reserve ternational exchange, with the Federal Reserve Board acting as the central controlling force in the coordination and direction of operations.

The board admonition to national banks against investing too heavily in foreign securities at a time when business prudence and conservatism suggest the necessity of their maintaining themselves in a particularly strong po-

Liquidity Necessary

The purchase by American investors investment buying from important be a favorite Democratic method of dividend requirements. They have won of desirable foreign loans in large establishing a bag, to be filled by the the confidence of the public, and the amounts," reads the report, "and the competent people of the country only, fact of their existence has enabled the absorption by them of a vast volume of ness might have been injured by an Congress may go for a larger and ness might have been injured by an Congress may go for a larger and slightest financial disturbance and abroad may be regarded as a healthy early cessation of hostilities in Europe. larger amount of plunder. From this Buying for long account induced the hold-up the agricultural classes are exold-up the agricultural classes are exmpted: also the professional classes, rates for commercial paper, many circumstances which have existed since
abor, of course, is exempt.—J. S. shocks and sensations which probably the war began, but the board has would have led, under old conditions, deemed it necessary, nevertheless, to emphasize the importance of having the "The Federal Reserve system is no banks of the country keep themselves

"Whenever the absorbing power of the board, be better that the volume of our exports be reduced, or that trade balances in our favor be settled by imports of gold than that our banks, especially those of moderate size, should unduly extend their investments in foreign securities at a time when business prudence and conservatism suggest the necessity of maintaining themselves in

a particularly strong position. "The board is not, however, unmindful that large accretions of gold may induce a rapid and dangerous expansion of our credit structure, and in outlining the policy of the Federal Reserva banks and in considering amendments that in its opinion should be made to the Federal reserve act, the board has been impressed with its duty to keep in close touch with the situad ... and to coptrol as far as possible conditions resulting from either an exessive inflow or outgo of gold."

The burre aloses its report with a detailed diematon of the amendments which it advocates to the reserve act, most of which have received the indorsement of the House Committee on Banking and Currency.

U. S. Treasury Finances

Washington, Feb. 3.—Condition of the United States freasury to-day: Net balance be general fund, \$93,123,-991; to a seriots, \$2,373,330; total The deficit this fiscal year

075,373, against a deficit of \$51,224,712 last year, exclusive of Panama Canal and public debt transactions.

Significant Relations Money and Prices: \$2,312,444,000 \$2,864,841,000

\$8,345,784,000

\$1,437,515,000

\$107,819,000

91.65

11,471,000

11.5%

89.92

213.41

11,058,542

Stock of money gold in the country . .

.cans o' all national banks . . Total reserve (i. e., cash in national bank vaults and on deposit with Ratio of this total reserve to gross deposit liabilities of national banks

Discounts of Federal Reserve banks. Their Lability for notes, net .. Their got reserve against deposits and circulation Average price of so railroad stocks.

Average price of 12 industrial stocks. Food cost of living (Annalis index Last week 214.40 January 1. 11,547,286 Production: Unfilled U. S. Steel orders, tons.....

Wheat crop, bushels..... Corn crop, bushels..... Cotton crop, bales. Distribution:

Net shortage of freight cara...... Net surplus of freight cars...... Gross railroad earnings

The 1916 yield. 639.886,000 2,593,241 000 11,511,000 11,191,820 59,892 47,081 July 1 to Nov 30. (173 roads) + 13.5% November (175 roads) +7.6% - 15.6%